

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

IN RE: § § CASE NO. 18-33794
VON DIRECTIONAL SERVICES, LLC § § (Chapter 11)
§ § DAVID R. JONES
Debtor. § §

**ORDER APPOINTING DREW MCMANIGLE AS THE COURT APPOINTED
INTERIM CHIEF RESTRUCTURING OFFICER *NUNC PRO TUNC* FROM
SEPTEMBER 12, 2018 THROUGH SEPTEMBER 25, 2018**

Upon the above-captioned debtor's (the "Debtor") *Emergency Motion to Convert Chapter 11 Case to a Chapter 7 Case* (Doc. No. 113) (the "Conversion Motion") and the Official Committee of Unsecured Creditors' (the "Committee") *Response Opposing Debtor's Emergency Motion to Convert Chapter 11 Case to Chapter 7 Case and Cross Motion of the Official Committee of Unsecured Creditors of Von Directional Services, LLC for Appointment of a Chapter 11 Trustee* (Doc. No. 118) (the "Trustee Motion"), and upon the arguments heard during the status conference held by the Court on September 12, 2018; and the Court having jurisdiction to consider the relief herein pursuant to 28 U.S.C. §§ 157 and 1334; and the relief herein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and the Court having determined that the relief herein is in the best interests of the Debtor, its creditors, and all parties in interest; and the Court having determined that the legal and factual bases establish just cause for the relief granted herein; and upon all of the proceedings had before the Court and after due deliberation and sufficient cause appearing therefore, it is:

ORDERED that Drew McManigle is appointed as the Court appointed Interim Chief Restructuring Officer (the “**Interim CRO**”), *nunc pro tunc*, from September 12, 2018 through and including September 25, 2018 (the “**Interim Period**”);

ORDERED that the Interim CRO is authorized and directed by this Court to conduct a preliminary investigation and analysis regarding the status of the Debtor, including an investigation, review and analysis of the Debtor’s assets and liabilities (the “**Investigation**”);

ORDERED that the Interim CRO is authorized to engage personnel with Sierra Constellation Partners to conduct the Investigation (the “**Personnel**”);

ORDERED that the Interim CRO is to provide an oral report to the Court on September 25, 2018 regarding the Investigation;

ORDERED that the Interim CRO has no operating authority over the Debtor during the Interim Period, however, the Interim CRO is authorized to propose actions to the Debtor, that the Debtor may act on, based on its reasonable business judgment and subject to appropriate consultation with the Committee and the Debtor’s other constituents;

ORDERED that all employees of the Debtor are hereby terminated as of 5:00 p.m. (Central) on Friday, September 14, 2018 except as may be otherwise provided for in a form of Agreed Order on the limited use of cash collateral which will cover the Interim Period;

ORDERED that the Debtor’s officers, directors, and professionals shall promptly provide information reasonably requested by the Interim CRO in the course of his Investigation, and he shall have access to the Debtor’s books, and records;

ORDERED that the Interim CRO is authorized but not directed to hire or maintain employees, on a temporary, contract basis, including former employees of the Debtor, subject to

the Budget (as defined in and included in the Fourth Cash Collateral Order) to assist the Interim CRO in the Investigation;

ORDERED that the Interim CRO, along with costs associated with the Personnel, shall be compensated on their customary hourly rate upon notice to the Court, the Debtor the Committee, and the office of the United States Trustee, but is not required to submit fee applications pursuant to sections 330 and 331 of the Bankruptcy Code;

ORDERED that this appointment is made under the jurisdiction and upon the oversight of the Bankruptcy Court, and that the Interim CEO and anyone assisting him from Sierra Constellation shall be accorded the status of, and have the protections afforded to, officers of the Court, and thereby have the protections arising from such status including quasi-judicial immunity;

ORDERED that any action or proceeding directed against the Interim CEO and Sierra Constellation on account of any alleged act or omission arising from his actions in his official capacity shall only be made upon prior application or motion for relief to this Court, and otherwise shall be barred and prohibited absent such initial filed request for relief to this Court;

ORDERED that this Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order;

Signed this 14th day of September, 2018.

DAVID R. JONES
UNITED STATES BANKRUPTCY JUDGE

AGREED AND ACCEPTED:

**SIERRA CONSTELLATION
PARTNERS LLC**

By: Drew McManigle
DREW MCMANIGLE
Managing Director
Pennzoil Place
700 Milam Street, Suite 1300
Houston TX 77002
Telephone: 832-871-5291
E-mail: dmcmanigle@scpllc.com

**HENRY G. HOBBS, JR.
ACTING UNITED STATES TRUSTEE
REGION 7, SOUTHERN AND WESTERN
DISTRICTS OF TEXAS**

By: Hector Duran
HECTOR DURAN
Trial Attorney
Texas Bar No. 00783996
515 Rusk, Suite 3516
Houston TX 77002
Telephone: 713-718-4650 ext. 241
Facsimile: 713-718-4670

HAYNES AND BOONE, LLP

By: Patrick L. Hughes
PATRICK L. HUGHES
Texas State Bar No. 10227300
Arsalan Muhammad
Texas State Bar No. 24074771
1221 McKinney, Suite 2100
Houston, TX 77010
Telephone: (713) 547-2000
Email: patrick.hughes@haynesboone.com
Email: arsalan.muhammad@haynesboone.com

**ATTORNEYS FOR THE COMMITTEE
OF UNSECURED CREDITORS FOR
VON DIRECTIONAL SERVICES, LLC**